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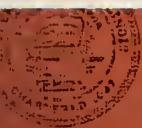
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Organizational Coalition Formation:
Process, Consequences and Dominant Coalitions

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Process, Consequences and Dominant Coalitions

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ABSTRACT

The concept of coalition is central to classic and recent organizational theory (e.g. Mintzberg, 1983; Pfeffer and Salancik, 1978; Thompson, 1967). This paper focuses on the process of forming an organizational coalition and uses current research and theory on coalition behavior (Murnighan, 1978a) to predict the consequences of this process for organizations and the people who inhabit them. We consider first the structural contingencies that inevitably influence both the process and the outcomes of coalition. Then we address the organizational coalition formation process, and explore some of its consequences.



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ORGANIZATIONAL COALITION FORMATION: PROCESS, CONSEQUENCES, AND DOMINANT COALITIONS

The concept of coalition is central to classic and recent organizational theory (e.g. Mintzberg, 1983; Pfeffer and Salancik, 1978; Thompson, 1967). This paper focuses on the process of forming an organizational coalition and uses current research and theory on coalition behavior (Murnighan, 1978a) to predict the consequences of this process for organizations and the people who inhabit them. We consider first the structural contingencies that inevitably influence both the process and the outcomes of coalition. Then we address the organizational coalition formation process, and explore some of its consequences.

Almost everyone has experienced organizational coalitions, however briefly: two executive vice presidents coordinate their budget recommendations, sabotaging the proposals of a third VP; a subset of the secretaries in a steno pool plan a surprise birthday party for another secretary, deflating the independent celebration plans of one of the more isolated secretaries in the office; three members of a work team coordinate their activities and present the procedures they prefer to other work group members as a fait accompli. None of these coalitions are unusual: they are all part of the ever-changing interpersonal networks that determine the informal structure of an organization. They all result from a coalition formation process, and this process affects a variety of organizational and personal outcomes.

A Basic Assumption

We assume, first of all, that most organizational coalition formation follows the same basic process: individual rather than

collective action is the driving force. Essentially, one individual contacts another: coalitions form by an accumulation of interconnecting dyads. One secretary mentions to another that one of their colleagues will soon have a birthday, and they should do something about it. She also contacts other members of the secretarial group, also one at a time (for the most part). Members of the coalition who have already joined recruit other members. In this way, a coalition of disparate membership emerges: the goals of the members are not unitary (White, 1974), their roles in this coalition are not exactly complimentary, and the coalition may be particularly unstable (cf. Schelling, 1978).

Unlike the conceptualizations of many current theories of coalition behavior, instability seems appropriate for organizational coalitions. The secretaries in our example will probably disband their coalition after the birthday celebration. Indeed, their coalition was strictly informal; even if it endured, its membership would almost certainly change, if only to add the birthday celebrant. Other issues may provoke the formation of alternative coalitions and the originator of the birthday coalition may be far less inclined to act forcefully on other agenda. She may not even be needed or approached if, for example, a coalition forms to confront superiors and demand relaxed working hours.

The concept of organization coalitions, then, is problematic: they are fleeting collectives whose membership is difficult to specify. They are not formalized groups that collectively embrace a wide variety of issues, although this is certainly possible. Work teams

and long-term committees, for example, are formal, relatively permanent coalitions. Within work groups and committees, however, informal coalitions form and reform frequently.. This paper concentrates on these informal, non-autocratic groupings. In addition, organizations and organizational units only rarely operate as dictatorships:

Democracy is too ingrained (at least in the West) for supervisors to completely ignore the preferences of their colleagues. Thus, coalitions are a necessity. Instead of providing ways to identify coalition members, then, we hope in this paper to promote a better understanding of some of the unexpected outcomes that necessarily accompany the formation of organizational coalitions.

Coalition Formation

The coalition formation process is this paper's basic foundation. In the Social Psychology of Organizing (1969), Karl Weick discusses a system of ever-expanding, interconnected coalitions that create enough power for two people to make a decision for an entire group of seventeen. The two people meet (similar to our basic assumption) and decide to vote as a bloc. They recruit another group member and decide that, among the three of them, they will determine everyone's vote in the large group by majority rule. The original two are enough for a majority among the three: the three will now vote together, regardless of the third individual's original preference. They add two more people and repeat the process, resulting in the three being the majority for the group of five and the five ultimately voting alike. Finally they add four more people, repeat the process, and establish a nine-person coalition that votes identically in the large

meeting. They are a majority of nine in the group of seventeen, and the ultimate decision thus becomes the alternative chosen by the original two. The other members of the nine-person majority coalition may have initially joined to increase their power within the entire group (e.g., one vote in nine is better than one in seventeen), but they would be very upset if they learned of the duplicity of the original two.

This process would "work" - the two original members would successfully control the large group's decision - only in an environment where group and organizational members were uninformed about who saw whom and what was discussed within the organization. Indeed, getting the third, fourth and fifth members to vote with the original two in their subsequent preliminary votes is possible only if these three are very gullible and lack any ability to analyze and interpret what is happening. This seems to be too much to assume. Alternatively, our treatment of the organizational coalition process assumes that information, even incomplete information, is readily available and usable by organizational members, making this expanding coalition process essentially infeasible (and suicidal). In addition, we assume that organizational members will be reasonably aware of their own interests and will attempt to further them whenever possible, to the best of their abilities. These assumptions, concerning information and people's desire to do well, fit nicely with the basic assumptions of most coalition theories, that people are informed and attempt to maximize their outcomes.

Game theory also assumes that, if an optimal strategy exists, a rational player should find it. We assume that organizational members

will do their strategic best, even if this falls short of the optimal. (As we will see, few coalition situations, even theoretically, provide the opportunity for optimal strategies.) Given a lack of perfect information, this is another seemingly reasonable approximation.

Our analysis diverges most seriously from the basic tenets of coalition theory in our attempt to deal with a dynamic environment. Coalition theories, with few exceptions (Komorita, 1979; Komorita and Chertkoff, 1973), are static models. Some instability among the coalitions is expected, but the coalition situation (i.e., rules, structure, etc.) is not expected to change. Altering the game (the rules governing the strategic interaction of the actors involved) would strain the theories' assumption of perfect information and complicate the currently complex models beyond their present capabilities. Thus, in applying static models to an obviously dynamic situation, we may make potentially erroneous predictions. Nevertheless, as most theories only rarely fit exactly the circumstances in which they are used, our hope is that the ideas generated by these static models and the research that has tested them will have some validity in dynamic organizational environments.

The Dominant Coalition

Since Thompson (1967), organizational theorists have concentrated on the dominant coalition, that group of individuals who most frequently direct the organization. Our treatment of organizational coalitions will include the concept of dominant coalition, but only among many organizational coalitions. As mentioned, coalitions

among secretaries and among the blue collar personnel of an organization also act in concerted ways. Our analysis will not include interorganizational coalitions, but will be restricted to intraorganizational interactions and negotiations, primarily for the sake of brevity and simplicity. Many of our contentions may generalize to interorganizational coalitions, but those extensions await further treatment.

Resources

Organizational coalitions form to preserve or increase the resources of the coalition's members. Resources can be defined along many dimensions, including money, discretion, natural resources, happiness, information, and power. Early social psychological research on coalition behavior (e.g., Gamson, 1961; Vinacke and Arkoff, 1957) defined resources as votes: research participants played the role of the leader of one of several political parties that differed in membership size; the different party leaders controlled differing numbers of votes. These were their resources. Unfortunately, this political analogy was taken no further: the parties had no philosophy or mission (maybe that's realistic) and negotiated only on the basis of the number of votes they held, the number of votes held by the other party leaders, and the winning combinations. The most prevalent scenarios gave three players 4, 3 and 2 votes, respectively, with a majority (5) being needed to secure a fixed prize. Results frequently showed the formation of the 3-2 coalition (Chertkoff, 1970) although some studies (Kelley and Arrowood, 1960; Psathas and Stryker, 1965) suggested that these results were condition-specific. Recent research

(e.g., Kravitz, 1981; Murnighan, 1978b) based on the suggestions of more recent social psychological theories (Komorita, 1974; Komorita and Chertkoff, 1973) studied groups larger than three and found that resources defined as votes were not particularly critical in the coalition formation process.

Roth (1978), however, found that resources that were not arbitrarily assigned did have an impact on coalition behavior. Effort, ability, and need all may contribute to a group's resources in ways that significantly influence subsequent negotiations. The underlying notion of early equity-based coalition theories (Gamson, 1964), that outcomes should be related to the inputs one contributes, does receive support in some contexts. The moral of this story is that resources are probably quite important in the formation of organizational coalitions, even though resources as originally conceptualized in early experimental research have not been very important.

In any coalition situation, some group members are sufficiently strong, if they coalesce, to determine the group's decisions or actions. In most groups, any majority is effective in this way. When different group members can contribute different amounts to a winning coalition, unique combinations of group members can win. In the coalition literature, a minimum winning coalition is one that will no longer be winning if any of its members leaves the coalition. The set of minimum winning coalitions defines the structure of the game (Murnighan, 1982).

This structure reflects (1) the actors who can form the smallest successful coalitions and (2) the payoffs each coalition can obtain.

In early coalition research, especially studies based on the political analogy, all winning coalitions received the same outcome. (Recent research which has considered more complex situations (e.g., Miller, 1982; Fiorina and Plott, 1978) has varied the payoffs winning coalitions can receive.) When either of two actors were equally critical in the formation of a coalition, the actor with fewer resources (even when they were votes) held an advantage, because s/he was likely to demand or accept a smaller portion of the coalitions' payoff. This appears to be the only situation where resources defined as votes are important: if two actors are interchangeable within a coalition, the other coalition members will prefer the actor with fewer resources; as a result, their own shares of the payoff should increase.

The notion of interchangeability is important: when all winning coalitions obtain the same payoff and the game structure indicates that two actors are interchangeable, the actor who appears to yield the least power, hold the fewest resources, or exert the least force has an advantage. This conclusion, often termed "strength is weakness" prevails in only a small set of organizational situations: when anyone will do, interchangeability favors those who appear weak. Thus, a supervisor who needs some support for a new group strategy will almost certainly attempt to convince the weakest, most agreeable group member to concur. If the supervisor has sufficient legitimate power (French and Raven, 1960), the strategy may very well be implemented (although a general lack of support may undercut the implementation process).

More coalition situations, however, reinforce the truism that strength is strength: holding more resources increases the likelihood that an actor will be included in a winning coalition, the ability to exert force may increase a coalition's payoff, and controlling unique resources that are in general demand provides an actor with flexibility and bargaining strength (Komorita, 1977). When an actor holds more resources than anyone else, s/he may be a critical coalition member; indeed, in some situations no coalition will be effective without the inclusion of this individual. This notion of criticality (Murnighan and Vollrath, 1984) is similar to the concepts of centrality in discussions of organizational power (Hickson, et al. 1971) and the ability to be pivotal in a coalition (Shapley and Shubik, 1954). Critical, central, pivotal organizational members are key actors who often serve as chief executives, supervisors, or other legitimate authorities who must necessarily agree with a decision before it can be implemented.

In game theoretic terms, the coalition structure of a game where one person must be included in every agreement is a veto game, with the executive being the veto player. In a veto game, no prizes or payoffs are obtained unless the veto player is a member of the winning coalition. One or more other group members may also be necessary, but the veto player is not interchangeable: s/he must be included in every agreement, decision, or coalition.

Veto games are particularly appropriate as analogs for organizational coalition situations (Murnighan and Vollrath, 1984). Non-veto, fixed payoff games provided the setting for a wealth of strategic

interplay: in the 4-3-2 game, the members of the 3-2 coalition are always tempted by the advances of the excluded player, 4; so, too, are the members of the 4-2 coalition tempted by 3 as are the members of 4-3 by 2. The interactions resemble the circle in communication networks (Leavitt, 1951; Shaw, 1960). Veto games, on the other hand, focus attention on the central figure or "leader", much like the wheel network. Interactions occur systematically, to and from the veto player. This is an altogether different dynamic, one that separates the interactants into two categories: (1) veto player/leader/supervisor and (2) all of the non-veto player/follower/subordinates.

Research on veto games (see Murnighan and Vollrath, 1984, for a summary) indicates that leaders have more power when they have many subordinates who are prevented from effectively communicating from one another. Leaders who require the support of only a few of their followers can follow the age-old strategy of divide and conquer: by preventing a united mutiny of the followers, the leader can pursue his/her own desired course of action. By isolating one or more subordinates and recruiting them as allies, a leader mitigates the possibility of revolt. By non-systematically dropping one privileged subject, and replacing him/her with another, after disunity is established, a supervisor prohibits the revolution led by a powerful underling (cf. Coleman, 1978; Murnighan, 1981) and further fractionates the subordinate group.

A political example approximating this process occurs in the current French Government. Francois Mitterrand was elected president in 1981; his party won a majority in the French Parliament, leading to

what could have been a completely Social Democratic cabinet. Instead, Mitterrand invited the Communist party to join the Cabinet and the Government. Mitterrand then began fulfilling a variety of campaign promises, ostensibly with the support of the entire government. After three years, the value of the French franc had fallen drastically, and the French economy was not recovering from the recessions of the 70's as swiftly as the economies of other western countries. In the spring of 1984, Mitterrand changed many key cabinet members, essentially removing the Communists. While they had been co-opted (Thompson and McEwen, 1958) into at least partial responsibility for France's economic problems (and had lost considerable popular support in the process), the Communists were now without a voice in the government, and any cyclical upsurge in the French economy could be attributed to the new programs proposed by Mitterrand's Social Democrats.

In this example, Mitterrand established a large base of support for clearly risky programs at the outset of his government. When the plans did not overwhelmingly succeed, Mitterrand changed his support structure, dropping the Communists from the cabinet and limiting their credibility as an effective opponent. Mitterrand has another chance, and if his current plans coincide with (even without causing) a recovery, the Social Democrats will again be able to command wide-ranging support.

This analysis has stressed strategy, power and control, which is only one way of viewing intraorganizational coalitions. Another analyzes effectiveness: an effective coalition will be able to insure its own well-being by providing the resources that are critical for the

entire organization's survival and growth. The first approach is hedonistic and pessimistic; the second can be humanistic and optimistic. The ability to identify which is active within any organization is difficult if not impossible. In fact, the analysis does not change appreciably: only attributions about the causes of events change. If a veto player has legitimate authority but few other bases of power (French and Raven, 1960), a manipulative, Machiavellian strategy is required for personal security. If, on the other hand, a leader possesses skills and talents or controls financial or natural resources necessary for the organization's success, a more open, straightforward strategy can emerge. Unfortunately, a very successful Machiavellian may act in the first mode but may manipulate the situation and appear to be acting in the second. Our analysis of the French Government, then, could have just as easily used a different approach, highlighting the unique array of attributes present in the first and second cabinets and the need to expand or solidify one's political base.

Although we have mentioned the process of coalition formation in our discussion, most of our attention has focused on the structure of a coalition situation and the effects of structure on outcomes. Within this structure, the process has its own, necessarily dependent effects. We now turn to examine this process in more detail.

The Process and its Consequences

The formation of a coalition begins with a first move: one actor must approach another. This action determines much of what follows. An actor dealing from strength often does not need to make the first

move; instead, the actor who cannot achieve what s/he desires without assistance, without a coalition, must initiate action.

The consequences of this first move, and the weakness it typically indicates, can be exemplified by the interactions of new faculty members and book companies or their representatives. Graduate students who have landed an academic job need books and generally prefer not to spend money to obtain them. But they must make the initial move and contact publishers: this accurately reflects their relatively weak strategic position. After they are established with a university, simply by being there, having an office, and being listed on the school's faculty, publisher's representatives come to them. Now the first move is by the company, and the new faculty member can negotiate from a position of strength.

Operationally, the strength afforded the receiver of an offer means that the offer must be better than one the same person might have to send if s/he were the initiator of the potential partnership. Thus, if one of two supervisors at the same level in an organization's hierarchy proposes a coalition between them, the originator must offer at least as much or more than s/he demands. This dynamic operates for either of the supervisors: by initiating coalition bargaining, you indicate that your dependence on the potential alliance is at least as great or greater than your potential partner's. This dependence may not be objective: all that is necessary is that some weakness or dependence be perceived. Thus organizational members who are motivated toward action, and toward the formation of coalitions, will pay for their restlessness.

As an example, consider an experiment (Murnighan, 1978b) that included a game with five interchangeable, equally powerful actors, any three of whom could form a winning coalition. Early proposals were quite close to equal divisions among three players ($33\frac{1}{3}\%$ each). After some experience with coalition bargaining, most of the bargainers changed their strategies and consistently proposed agreements giving them less than their two partners: offers of 30-35-35 were most frequent. Bargainers who continued to demand $33\frac{1}{3}$ were less attractive coalition partners: they necessarily offered less and, by asking for more, appeared to be "demanding" bargainers, a perception that does not generate receptiveness. Even less effective were the bargainers who mistakenly overvalued themselves and demanded more than $33\frac{1}{3}$, especially after everyone had experience with the bargaining procedures.

The hierarchical equality of two supervisors, however, is unusual: usually one of the two parties will control more critical resources, more influence, or have more experience than the other. When inequality is perceived by the bargainers, differences in strength will of course affect the value of the proposals. Nevertheless, the initiator in a negotiation sacrifices some strength unless s/he has considerable information (cf. Yukl, 1974) concerning: (1) the costs that a potential partner would incur if s/he did not join this or another coalition; (2) the benefits this potential partner can obtain by forming this or another coalition; and (3) the possibility that this potential partner can join another coalition. In addition, the potential partner must be aware of all these costs and benefits:

skepticism is often the response to offers that hope to convince a potential partner with the message, "you need this". Indeed, the originator of a coalition might be forced to offer more than normal if the potential partner is unaware of his/her own reward contingencies.

Having information about the contingencies impinging on others is one type of resource or power that provides a coalition initiator with the opportunity to shrink the range of possible negotiation outcomes (cf. Walton and McKersie, 1965) and propose a division of rewards that is more personally beneficial, thus circumventing the typical disadvantage associated with initiating action. The "Let them come to me" strategy, though, only works when an organizational member has considerable power. As many social bargainers know, lonely weekends are often the result of assuming that you are strong enough to use this strategy. When this strategy works, however, it is very effective. Like many strategic choices, then, waiting for a good offer is a low probability-high outcome approach. According to Peters and Waterman (1982), the "wait and see" strategy is not often used by very successful organizational executives.

The First Pair

Coalition formation negotiations are open to many forces. From one game theoretic point of view, the payoffs that any pair of bargainers will eventually obtain, if they have only each other to bargain with, are indeterminate: any outcome is possible. Our own experiences suggest that two equal negotiators will split a payoff at or close to 50-50. Indeed, several research studies (Nydegger and Owen, 1975; Roth and Malouf, 1978; Roth, Malouf, and Murnighan, 1981;

Roth and Murnighan, 1982) find just this result when the bargainers have no information about each other's actual payoffs or when the payoffs can be equalized by 50-50 splits.¹

But consider a situation where someone approached you and an acquaintance (let's call her Alice) and said "If you and Alice can decide how to divide \$100,000 in 30 minutes, I am authorized to pay you that amount". Certainly this is a stroke of good fortune. If you naturally turned to Alice and proposed that you split the money equally, and she responded, "No, I should get \$80,000", you would probably be quite surprised. But if she continued to demand \$80,000 for the entire 30 minutes, what would you do? A simple rational model says that you should take the \$20,000. Certainly you should wait until the very last second before succumbing, but it is usually not in your best interests to refuse \$20,000.

Thus, any outcome is possible within dyadic interactions, although several variables can affect the outcomes considerably. Roth and Schoumaker (1984) have shown that, in situations like the example with Alice, if a person has established an unswerving, consistent reputation as a tough bargainer, opponents who know this reputation often (but not always) concede. (Occasionally, disagreements occurred, more frequently than if the bargainers were discussing 50-50 agreements.)

Siegel and Fouraker (1960) also showed that, when one bargainer has exceedingly high aspirations (e.g., Alice actually needed all of the \$80,000 so that her mother could have an emergency operation), s/he bargained more toughly, obtained more from the negotiations but also contributed to a greater frequency of disagreements.

Finally Roth and his colleagues (Roth and Malouf, 1978; Roth, Malouf and Murnighan, 1981; Roth and Murnighan, 1982) have demonstrated the importance of information: knowing that your opponent will fare much better than you will if you reach a 50-50 agreement pushes you to bargain for more equal expected outcomes (see footnote 1).

Most pertinent for the current issue is the effect of relaxing the assumption that a pair of bargainers must negotiate only with each other. In organizations, there are often a multitude of potential coalition partners, some who can contribute quite a lot, others who might only contribute a little to a coalition. The availability of alternative partners can provide a negotiator with considerable strength.

Komorita's models of coalition behavior, Bargaining Theory (Komorita and Chertkoff, 1973), the Weighted Probability Model (Komorita, 1974), and Equal Excess Theory (Komorita, 1979) focus directly on the effect of alternatives on a bargainer's strength. The Weighted Probability Model emphasizes the number or quantity of the available alternatives; Bargaining Theory and Equal Excess Theory emphasize the quality of the available alternatives. As Bargaining Theory has been a better predictor of coalition behavior in recent research (Kravitz, 1981; Murnighan, 1978b) the quality of another potential partner seems to provide a bargainer with more strength than the number of potential partners. (Other situations than those considered in these experiments may, of course, alter this conclusion).

Bargaining Theory also stresses that the credibility of a high quality alternative is important. If a negotiator can convince a potential partner that his/her alternative partners are exceptional, these alternatives will be influential in the current bargaining. Thus, if one aspiring young executive can convince a peer that s/he could form a coalition with an influential superior in the firm, and the peer believes this is a distinct possibility, then this possible alternative provides the young executive with strength - more strength than s/he might have if s/he were bargaining with the superior and used the peer as an alternative.

In negotiations, then, alternatives function as threats. In Ellsberg's (1959) terms, credible threats (alternatives) can be used to coerce, deter, or blackmail. Negotiating the formation of an organizational coalition certainly involves give and take, even in social, informal, friendly coalitions. Threats, which often remain implicit, are an integral element of this process.

Expanding from a Pair

Negotiations, especially between the initial members of a coalition, are not often clearcut, tooth-and-nail bargaining sessions. But even with considerable uncertainty, bargaining must address: (1) assigning responsibility for upcoming action; (2) deciding what those actions will be; and (3) determining how payoffs will be divided, if only in limited ways. Informal, social coalitions often proceed on the basis of individually held, unshared assumptions of what will happen. Without a shared experience, e.g., a previous history of

interaction, two "partners" may have little idea of each other's expectations (cf. Bettenhausen and Murnighan, 1985).

Frequently, the original coalition members try to recruit additional members. This expansion process differs considerably from the process of first contacts. Subsequent negotiations continue to be primarily dyadic, but now the already committed coalition member can negotiate on the basis of the coalition's combined resources. As coalitions form, resources accumulate: an original member can discuss how much "we" control, rather than relying solely on his/her own resources. An early coalition partner expands the mutual power base and allows all of the initial members to negotiate from increased strength. The fact that they are approaching another individual conveys their dependence or desire for this potentially new member, as before. Nevertheless, as a team, two individuals can often provide more as partners than either could provide individually.

Exceptions to this rule occur when the third person in the negotiations is individually stronger than either of the original two. S/he may prefer to have joined earlier when his/her inherent superiority could have been used to exert more control. Indeed, the coalition allows the two originally weaker members to negotiate with a stronger group member on a much more equal basis than they could if either of them had approached the stronger individual first.

When the marginal benefits provided by additional members are no longer perceived as exceeding the costs involved in expansion, the coalition will recruit no more. Excluded individuals may petition to join, however by showing that they can enhance the current coalition

members' benefits without appreciably increasing coordination or other costs. Indeed, the power a coalition generates for its members is often very attractive to outsiders.

Group Meetings

This conceptualization of the organizational coalition formation process does not depend on the coalition members meeting as a group. Indeed group meetings, in this conceptualization, are primarily ritualistic. The members of an organizational coalition generally act collectively in a group meeting only if a decision or action relates to the reason for their formation. The point here is simply that coalitions do not form in group meetings. Negotiations among potential coalition members and individuals who will eventually be excluded from the coalition are too sensitive for open, face-to-face discussion in large groups. More private, one-to-one discussions are the basis, then, for most organizational coalitions, and must precede large organizational meetings.

Group meetings, on the other hand, often function as a stage where coalitions that have already formed make their debut. Non-members may have no idea that a coalition has formed, and the revelation of an agreeing, seemingly united form can be a considerable surprise. Our original examples of two vice-presidents coordinating their budget requests may lead the third to wonder how the other two can be in such concerted agreement on almost every issue. Similarly, the secretary who was left out of the birthday celebration coalition may agree that a party was a good idea, but may continue to implement her own

individual plans for the celebrant. And the excluded members in the work team may be particularly angry that their preferences for work procedures were not considered. In each case, the excluded members may have had only the faintest inclination that strategic negotiations were proceeding without them, prior to a group meeting. Indeed, many coalitions, either by design or by fortuitous circumstance, are difficult to clearly identify. Much like the strategy of a student who cheats on an exam but makes sure that s/he does not answer every question correctly, a successful coalition that does not seem united may appear less obvious, less clear, and therefore less open to retaliation by non-members.

Fortuitous Coalitions

This entire discussion has focused on purposive coalitions: an issue becomes relevant for two or more people and they decide to act together to resolve it. The underlying assumptions of coalition theories match this approach, as we have mentioned. Some organizational theorists (e.g., March and Cohen, 1972), on the other hand, would object to this conceptualization; indeed, organizational members may not have sufficient time to coalesce purposefully. Some organizational coalitions, then probably, form fortuitously: two or more individuals may discover that they have mutual interests that could be better served by concerted action. The first indication of these common interests may result when they find themselves working individually, in parallel, on the same issue. By simply reducing the duplication of their efforts, they gain.

Fortuitous coalitions often find that their initial common interest may correlate with other interests, providing the basis for more than a short term union. Indeed, purposive coalitions may not always be short term: they, too, can capitalize on a series of common interests. The longevity of an organizational coalition, though, depends to a great extent on its size: as a coalition grows, the likelihood of all of its members agreeing on a wide range of issues becomes smaller and smaller. Organizational coalitions, then might be conceptualized as fluid groups, with a quorum of any of the members necessary for its continued existence. The problem with this conceptualization is that it ignores the diversity of resources, which are sometimes conflicting, held by different coalition members; it also deflates and further diffuses the concept of an organizational coalition.

Our conception of organizational coalitions, then, focuses on short-term, informal, fragmented collectives whose interests coincide sufficiently for common action on a small number of issues. This approach unfortunately does not provide easy access to the researcher interested in documenting organizational coalitions. Rather, it provides signs and cues that can increase our understanding of interorganizational dynamics. The executive vice president who was excluded from preliminary budget negotiations, for instance, should not necessarily expect that his/her two colleagues will act in concert on all of the upcoming issues that concern the three of them. Organizational coalitions may be so brief that concepts like loyalty and defection must be established very quickly, if at all. Indeed,

defection from a coalition presupposes a possibly unrealistic foundation (cf. Murnighan, 1981), one often based on implicit understandings. As a result, organizational actors who cope effectively with complex internal environments are likely to be those who do not depend on the stability of organizational coalitions (or the stability of the organization).

This viewpoint is decidedly pessimistic. The theoretical foundation for our approach, of course, is coolly calculating and rational: its translation to organization has retained this outlook. Nevertheless, as a cautionary word, humanism, altruism, sincerity, and ethical conduct are not without their place in organizational coalitions. In pessimistic, rational environments, coalitions may require members who are humanistic, optimistic, and/or emotional, even for their short-term survival. As years of research on interpersonal interaction in organizations (e.g., Stogdill, 1974) has shown, an impersonal approach will not always be effective. With no information to the contrary, we optimistically assume that humanity is just as important within organizational coalitions.

Dominant Coalitions

Finally we return to the concept of coalitions that is most frequently used in organizational theory, the dominant coalition. Our discussion suggests that, instead of a unique group of powerful individuals forming a single, powerful coalition, organizational actions are more often determined by one or another of several dominant coalitions, whose membership changes are frequent. Indeed, because

organizational issues are not governed by the same clock, several dominant coalitions are likely to exist simultaneously.

These powerful groups almost necessarily overlap: an individual's power within an organization depends to a great extent, then, on the number of dominant coalitions s/he joins (cf. Hickson, et al., 1971; Murnighan, 1982). If, as we have argued, autocratic action by a single individual is unlikely, then coalitions are necessary and power should derive from multiple memberships in the set of dominant coalitions within an organization.

According to this thesis the key to power in organizations is the accumulation of resources that are critical to the functioning of the organization's dominant coalitions. Many memberships and a well-placed position in each important coalition are sure signs of an individual's power.

Few if any organizational members will participate in every important organizational coalition (Murnighan, 1985). The aspiring executive, then, faces a difficult paradox: increasing your inclusions in dominant coalitions without alienating people who might initiate other important coalitions. How this can be accomplished is more than can be addressed here.

Nevertheless, the competitions inherent in succession and promotion can be conceptualized as a long-term process whereby upwardly mobile organizational members become increasingly included within the organization's dominant coalitions. Being privy to and influential in the organization's key decisions on an ever increasing basis is not only an indicator of likely future advancement, but also documents the

successes of the effective dominant coalitions member. Because there are few singularly critical organizational decisions, the variety of important decisions made within any organization depends on a variety of dominant coalitions. Those few members who include themselves most frequently in these informal, often transitory, but never powerless groups, are those who comprise Thompson's (1967) "inner circle", if one exists. But even as elite members of such a set, the inner circle may never meet, but merely exist as our own analytical label of the center of an organization's power and resources.

Simply, then, the suggestions included in this paper provide a basis for organizational observers to more accurately document the coalition formation process and for organizational members to build strategic foundations for coalition formation.

Footnotes

1. In the series of studies by Roth and his colleagues, bargainers negotiated for chances in a lottery, with 100% being available. Agreements of 50% - 50% could be reached, but the potential prizes the bargainers received if they won their lottery were not necessarily identical. In Roth and Murnighan (1982), for instance, if one bargainer won his/her lottery, the prize was \$20 while the other's best outcome was only \$5.


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